

**APPLICATION FOR PERMIT  
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office JUN 29 1998  
 Returned to applicant for correction JUL 10 1998  
 Corrected application filed SEP 04 1998  
 Map filed SEP 04 1998

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The applicant **Grover W. Bynum for Sultan Sand Company**, hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

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1. The source of the proposed appropriation is **Underground**
2. The amount of water applied for is **.25 C.F.S.** second-feet
  - (a) If stored in reservoir give number of acre-feet **N/A**
3. The water to be used for **Mining**
4. If use is for:
  - (a) Irrigation, state number of acres to be irrigated **N/A**
  - (b) Stockwater, state number and kinds of animals to be watered **N/A**
  - (c) Other use (describe fully under No. 12. "Remarks") **N/A**
  - (d) Power:
    - (1) Horsepower developed **N/A**
    - (2) Point of return of water to stream **N/A**
5. The water is to be diverted from its source at the following point **within the SW $\frac{1}{4}$  NW $\frac{1}{4}$  of Sec. 27 T24S, R57E, M.D.M., at a point from which the SW Corner of Section 30, T24S, R57E, M.D.M., bears S 80° 33' 44" W a distance of 17,254.27 Feet.**
6. Place of Use **10 Acres within the SW $\frac{1}{4}$  NW $\frac{1}{4}$  and the SE $\frac{1}{4}$  NW $\frac{1}{4}$  and the NW $\frac{1}{4}$  SW $\frac{1}{4}$ , all within Section 27, T24S, R57E, M.D.M.**
7. Use will begin about **January 1st** and end about **December 31st**, of each year.
8. Description of proposed works **Well drilled and cased, with gravel pack, with submersible pump and electric motor.**
9. Estimated cost of works **\$25,000.00**
10. Estimated time required to construct works **well is completed and cased to 400 feet.**
11. Estimated time required to complete the application of water to beneficial use **3 Years**
12. Remarks: **Water to be used in a heap leach process and will be recycled to the fullest extent possible. Water from the well will be used to charge the system, and will regenerate that water lost to evaporation in the leaching process.**

By **s/Frank C. Hulse**  
**Frank C. Hulse AGENT**  
**Box 540**  
**Pioche, Nevada 89043**

Compared **bk/cms** dl/cmf

Protested \_\_\_\_\_

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer yearly on February 15, 1999. If the mine ceases pumping, notify the State Engineer in the yearly report.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.25 cubic feet per second, but not to exceed 15.55 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

October 8, 2000

Proof of completion of work shall be filed before:

November 8, 2000

Water must be placed to beneficial use on or before:

October 8, 2002

Proof of the application of water to beneficial use shall be filed on or before:

November 8, 2002

Map in support of proof of beneficial use shall be filed on or before:

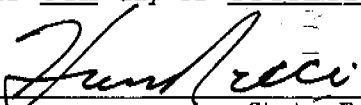
N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 8th day of October, A.D. 1999

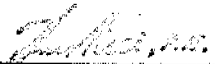
  
\_\_\_\_\_  
State Engineer  
by Hugh Ricci, P.E., Deputy State Engineer

Completion of work filed JAN 23 2001

MAR 04 2003 — PORTION  
CANCELLED BECAUSE OF FAILURE  
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

Proof of beneficial use filed \_\_\_\_\_

Cultural map filed \_\_\_\_\_

  
\_\_\_\_\_  
STATE ENGINEER

Certificate No. \_\_\_\_\_ Issued \_\_\_\_\_

Approved By Per. 66478-T 0.125 exp 6-22-01  
67168 0.125

